AMENDED IN SENATE AUGUST 22, 2002

AMENDED IN SENATE AUGUST 7, 2002

AMENDED IN SENATE AUGUST 5, 2002

AMENDED IN SENATE JUNE 13, 2002

AMENDED IN ASSEMBLY APRIL 25, 2002

CALIFORNIA LEGISLATURE—2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 2312

Introduced by Assembly Member Chu
(Coauthors: Assembly Members Cedillo, Firebaugh, Lowenthal,
Pavley, Vargas, and Wayne)
(Coauthor: Senator Alarcon)

February 21, 2002

An act to add Section 71116 to the Public Resources Code, relating to environmental justice.

LEGISLATIVE COUNSEL'S DIGEST

AB 2312, as amended, Chu. Environmental justice: grant program. Existing law requires the California Environmental Protection Agency to develop policies, and implement and coordinate various activities for boards, departments, and offices within the agency relating to environmental justice.

This bill would ereate the Environmental Justice Fund in the State Treasury, and would require that moneys in the fund, upon appropriation by the Legislature, be used by the agency for establish the Environmental Justice Small Grant Program, which the bill would

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establish under the jurisdiction of the agency. The bill would require the agency to award grants on a competitive basis to nonprofit entities, as defined, and federally recognized tribal governments, for certain, listed purposes. The bill would require the agency to adopt regulations to implement the grant program. The bill would require the agency to review, evaluate, and select grant recipients, and screen grant applications to ensure that they meet the requirements of the bill. The bill would limit the maximum amount of a grant to \$20,000, and would prohibit an individual from receiving a grant. The bill would require the agency to provide a report to the Legislature on or before a specified date on the implementation of the grant program. These provisions would be implemented only during fiscal years for which an appropriation is provided for these purposes in the annual Budget Act or in another statute.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 71116 is added to the Public Resources Code, to read:
- 71116. (a) The Environmental Justice Fund is hereby created in the State Treasury. Upon appropriation by the Legislature, the 4 California Environmental Protection Agency shall expend moneys from the Environmental Justice Fund for the making of grants pursuant to the Environmental Justice Small Grant Program, which is hereby established. The California
- 71116. (a) The Environmental Justice Small Grant Program 10 is hereby established under the jurisdiction of the California Environmental Protection Agency. The California Environmental Protection Agency shall adopt regulations for the implementation of this section. These regulations shall include, but need not be limited to, all of the following:
- 15 (1) Specific criteria and procedures for the implementation of 16 the program.
- (2) A requirement that each grant recipient submit a written 17 18 report to the agency documenting its expenditures of the grant funds and the results of the funded project. 19
- (3) Provisions promoting the equitable distribution of grant 20 funds in a variety of areas throughout the state, with the goal of 21

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making grants available to organizations that will attempt to address environmental justice issues.

- (b) The purpose of the program is to provide grants to eligible community groups, including, but not limited community-based, grassroots nonprofit organizations that are located in areas adversely affected by environmental pollution and hazards and that are involved in work to address environmental justice issues.
- (c) (1) Both of the following are eligible to receive moneys 10 from the fund.
 - (A) A nonprofit entity.

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- (B) A federally recognized tribal government.
- (2) For the purposes of this section, "nonprofit entity" means any corporation, trust, association, cooperative, or other organization that meets all of the following criteria:
- (A) Is operated primarily for scientific, educational, service, charitable, or other similar purposes in the public interest.
 - (B) Is not organized primarily for profit.
- (C) Uses its net proceeds to maintain, improve, or expand, or any combination thereof, its operations.
- (D) Is a tax-exempt organization under Section 501 (c)(3) of the federal Internal Revenue Code, or is able to provide evidence to the agency that the state recognizes the organization as a nonprofit entity.
- (3) For the purposes of this section, "nonprofit entity" specifically excludes an organization that is a tax-exempt organization under Section 501 (c)(4) of the federal Internal Revenue Code.
 - (d) Individuals may not receive grant moneys from the fund.
- (e) Grant recipients shall use the grant award to fund only the project described in the recipient's application. Recipients shall not use the grant funding to shift moneys from existing or proposed projects to activities for which grant funding is prohibited under subdivision (g).
- (f) Grants shall be awarded on a competitive basis for projects that are based in communities with the most significant exposure to pollution. Grants shall be limited to any of the following purposes and no other:
- (1) Resolve environmental problems through distribution of information.

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(2) Identify improvements in communication and coordination among agencies and stakeholders in order to address the most significant exposure to pollution.

- (3) Expand the understanding of a community about the environmental issues that affect their community.
- (4) Develop guidance on the relative significance of various environmental risks.
- (5) Promote community involvement in the decisionmaking process that affects the environment of the community.
- (6) Present environmental data for the purposes of enhancing community understanding of environmental information systems and environmental information.
- (g) (1) The agency shall not award grants for, and grant funding shall not be used for, any of the following:
 - (A) Other state grant programs.
- (B) Lobbying or advocacy activities relating to any federal, state, regional, or local legislative, quasi-legislative, adjudicatory, or quasi-judicial proceeding involving development or adoption of statutes, guidelines, rules, regulations, plans or any other governmental proposal, or involving decisions concerning siting, permitting, licensing, or any other governmental action.
- (C) Litigation, administrative challenges, enforcement action, or any type of adjudicatory proceeding.
 - (D) Funding of a lawsuit against any governmental entity.
- (E) Funding of a lawsuit against a business or a project owned by a business.
 - (F) Matching state or federal funding.
- (G) Performance of any technical assessment for purposes of opposing or contradicting a technical assessment prepared by a public agency.
- (2) An organization's use of funds from a grant awarded under this section to educate a community regarding an environmental justice issue or a governmental process does not preclude that organization from subsequent lobbying or advocacy concerning that same issue or governmental process, as long as the lobbying or advocacy is not funded by a grant awarded under this section.
- (h) The agency shall review, evaluate, and select grant recipients, and screen grant applications to ensure that they meet the requirements of this section.

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(i) The maximum amount of a grant provided pursuant to this section may not exceed twenty thousand dollars (\$20,000).

- (j) The agency shall provide a report to the Legislature and Governor on or before a date that is four years after the date the program first receives funding under this section, regarding the implementation of the grant program created by this section. To ensure that awards and the use of grant funding is consistent with this section, the report shall include, but need not be limited to, all of the following:
- (1) A description of each grant awarded, including, but not limited to, the name of the recipient, the amount of the grant, a description of the project, the status of the project, and the environmental or health benefits, or both, of the project.
 - (2) The total amount of grants awarded each year.

(k)

- (*j*) For the purposes of this section, "environmental justice" has the same meaning as defined in Section 65040.12 of the Government Code.
- (k) This section shall be implemented only during fiscal years for which an appropriation is provided for the purposes of this section in the annual Budget Act or in another statute.